

Conor Baldwin  
Chief Financial Officer

Allison Chambers  
Deputy CFO

## MEMORANDUM

**TO:** Eileen M. Donoghue, City Manager *EMD*  
**FROM:** Conor Baldwin, Chief Financial Officer *CB*  
**DATE:** March 3, 2021  
**SUBJECT:** Informational – Community Compact – COVID-19 Forecast Presentation

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In the spring of calendar year 2020, the finance department applied for and was awarded a grant from the Governor's community compact program. In direct response to the COVID-19 crisis, the scope of work sought out resources to best analyze and forecast the potential fiscal impact of the pandemic on the city's budget, to plan and mitigate any such impact on city services. This project involved developing a sophisticated revenue impact model to be incorporated into the city's existing five-year forecast.

I am pleased to update you and the City Council that, after several months of work with the Collins Center at UMass Boston, a draft of the report is complete and the team is prepared to discuss the findings with you and the City Council. The project team has met with myself and the Deputy CFO over the course of the past 10 months to review and discuss the City's existing General Fund financial forecast tool. Potential areas for improvement were explored, specifically in the area of the charter school assessment and the impact of COVID-19 on revenues. The Center team has conducted an in-depth review of assumptions about local receipts, particularly in light of the financial impacts of the COVID-19 pandemic and has modeled various scenarios for local receipts for use by the City of Lowell. These assumptions and techniques are currently being incorporated into the FY2022 budget process.

Additionally, through the work of the project team, the City and the Collins Center have developed a best practice for the City for follow regarding forecasting charter school tuition costs. This included investigating the enrollment and expansion plans of the charter schools serving the City, including through conversations with charter school personnel and utilizing expertise of the staff at UMass Boston. The forecast has also been updated to reflect any anticipated changes in charter school reimbursement from the State.

The project team would respectfully request that a meeting of the City Council's finance subcommittee be held to discuss the details and receive a presentation from the Collins Center and the finance department.